

ORIGINAL



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1 Douglas C. Fitzpatrick  
2 49 Bell Rock Plaza  
3 Sedona, Arizona 86351  
4 (928) 284-2190  
5 Bar ID #005152  
6 fitzlaw@sedona.net  
7 Attorney for applicant, Montezuma Rimrock  
8 Water Company, LLC.

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2011 DEC - 1 A 9:54

Arizona Corporation Commission

DOCKETED

DEC - 7 2011

DOCKETED BY	
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BEFORE THE ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION OF )  
9 MONTEZUMA RIMROCK WATER )  
10 COMPANY, LLC FOR APPROVAL OF A )  
11 RATE INCREASE. )

DOCKET NO. W-04254A-08-0361

DOCKET NO. W-04254A-08-0362

11 IN THE MATTER OF THE APPLICATION OF )  
12 MONTEZUMA RIMROCK WATER )  
13 COMPANY, LLC FOR APPROVAL OF A )  
14 FINANCING APPLICATION )

INTERIM REPORT OF  
MONTEZUMA RIMROCK  
WATER COMPANY, LLC

15 This Interim Report of the Company is submitted pursuant to Judge Sarah Harpring's  
16 Procedural Order dated November 9, 2011.

17 1. Regarding the GEcom lease. The Company has not yet received the written lease  
18 from GEcom, notwithstanding Patricia Olsen's recent calls and e-mails prompting GEcom to  
19 provide same. Appended hereto are several e-mail exchanges between and among the Company,  
20 GEcom and Odyssey Equipment Financing Company [OEFC] which will, the Company  
21 believes, provide financing for the lease payments.

22 According to an e-mail dated November 17, 2011 from John Torbenson of OEFC, the  
23 lease will require the payment of \$30K over 60 months at \$810 per month. A charge of \$7K for  
24 "the building" will be paid over 48 months at \$275 per month. Construction is in process for  
25 building the plant. Associated with the operation of the arsenic treatment plant will be the  
26 payment of \$500 per month by the Company into a reserve account for "media changeouts" or  
27  
28

1 filters which will need to be replaced at regular intervals.

2 The Company anticipates that the lease with GEcom will be entered by Patricia Olsen,  
3 personally, who will sublease the system to the Company. Payment to GEcom or OEFC will be  
4 made with Ms. Olsen's personal funds. Because the Company has not yet had access to the  
5 primary lease agreement proposed by GEcom or prepared the sublease between Patricia Olsen  
6 and the Company, it is not in a position to offer meaningful analysis as to whether either lease is  
7 or should be characterized as a capital lease or an operating lease. The Company respectfully  
8 requests an extension of the December 9, 2011 deadline to submit such analysis.  
9

10  
11 2. Regarding the need for modification of Decision No. 71317. The Company believes  
12 that there is no longer a need to pursue modification of Decision No. 71317, that this matter may  
13 be brought to a close and the docket retained solely for ongoing compliance filings by the  
14 Company.

15 DATED this 6<sup>th</sup> day of December, 2011.

16 LAW OFFICE OF DOUGLAS C. FITZPATRICK

17  
18 By   
19

20 Douglas C. Fitzpatrick  
21 Attorney for Montezuma Rimrock Water  
22 Company, LLC  
23

23 COPY of the foregoing mailed  
24 this 6<sup>th</sup> day of, December, 2011,  
25 to:

26 Darak R. Eaddy  
27 Utilities Division  
28 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

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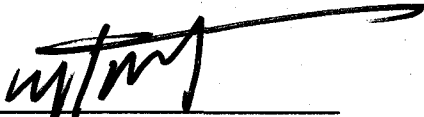
John Dougherty  
PO Box 501  
Rimrock, Arizona 86335

Patricia D. Olsen  
Montezuma Rimrock Water  
Company, LLC  
PO Box 10  
4615 E. Goldmine Road  
Rimrock, Arizona 86335

Janice M. Alward  
Chief, Legal Division  
Arizona Corporation Commission  
Legal Division  
1200 West Washington Street  
Phoenix, Arizona 85007

Steven M. Olea  
Director, Utilities Division  
Arizona Corporation Commission  
Legal Division  
1200 West Washington Street  
Phoenix, Arizona 85007

Lyn Farmer  
Chief, Hearing Division  
Arizona Corporation Commission  
Legal Division  
1200 West Washington Street  
Phoenix, Arizona 85007

  
\_\_\_\_\_  
Douglas C. Fitzpatrick

**Doug Fitzpatrick**

**From:** Patricia Olsen [patsy@montezumawater.com]  
**Sent:** Tuesday, November 29, 2011 9:28 PM  
**To:** fitzlaw@sedona.net  
**Subject:** Fw: financing

*Patricia Olsen, President  
 Montezuma Rimrock Water Co. LLC  
 P.O. Box 10, Rimrock, AZ 86335  
 928-592-9211  
 www.MontezumaWater.com*

----- Forwarded Message -----  
**From:** Robin L. Richards <robin@oefc.net>  
**To:** patsy@montezumawater.com  
**Sent:** Tuesday, November 29, 2011 4:17 PM  
**Subject:** FW: financing

Hi Patricia,

John is out of town this week, but I am following up on his emails. John followed up with an email to Wayne in regards to the invoices we need and so far we have not received anything back. I will follow up again in the morning.

Thank you,

**Robin L. Richards  
 Leasing Administrator**

**ODYSSEY EQUIPMENT FINANCING CO.  
 8655 E. Via de Ventura, Ste. E-130  
 Scottsdale, AZ 85258  
 480-607-6800 Ext. 3  
 Fax: 480-607-6868**

**From:** Patricia Olsen [mailto:patsy@montezumawater.com]  
**Sent:** Tuesday, November 29, 2011 4:05 PM  
**To:** John Torbenson  
**Subject:** Re: financing

Dear Mr. Torbenson,  
 I haven't heard from you regarding the lease. Is there any other information you need from me? Do you have any idea when the lease agreement will take place?  
 Thank you,

*Patricia Olsen, President  
 Montezuma Rimrock Water Co. LLC*

11/30/2011

P.O. Box 10, Rimrock, AZ 86335  
928-592-9211  
[www.MontezumaWater.com](http://www.MontezumaWater.com)

From: John Torbenson <[john@oefc.net](mailto:john@oefc.net)>  
To: 'Patricia Olsen' <[patsy@montezumawater.com](mailto:patsy@montezumawater.com)>  
Sent: Thursday, November 17, 2011 12:22 PM  
Subject: RE: financing

Ok I will get the invoices and make up the docs to email to you to sign and return

**John Torbenson - President**  
**ODYSSEY EQUIPMENT FINANCING**

8655 E. Via de Ventura, Ste. E-130  
Scottsdale, AZ 85258

480-607-6800 #1  
Toll Free 1-888-607-6800  
Fax 480-607-6868

Cell 602 739 1845

**Financing Equipment Nationwide for 40+ Years**

[www.oefc.net](http://www.oefc.net)

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From: Patricia Olsen [<mailto:patsy@montezumawater.com>]  
Sent: Thursday, November 17, 2011 11:05 AM  
To: John Torbenson  
Subject: Re: financing

Dear Mr. Torbenson,  
I am willing to move forward on this project. Let me know what you need me to do on my end. Thank you for your assistance on this matter.

Sincerely,

*Patricia Olsen, President*  
*Montezuma Rimrock Water Co. LLC*  
*P.O. Box 10, Rimrock, AZ 86335*  
*928-592-9211*  
*[www.MontezumaWater.com](http://www.MontezumaWater.com)*

From: John Torbenson <[john@oefc.net](mailto:john@oefc.net)>  
To: 'Patricia Olsen' <[patsy@montezumawater.com](mailto:patsy@montezumawater.com)>  
Sent: Thursday, November 17, 2011 8:29 AM  
Subject: RE: financing

Ok, on the 30K we have 60 months, \$810 a month, \$1.00 lease residual  
On the 7K for the building 48 months at \$275 a month, \$1.00 lease residual  
So you're into the total 37K for \$1085 a month, and we only need the first and last payment in advance. NO down payment  
Let me know if we can help.

11/30/2011

**John Torbenson - President**

## **ODYSSEY EQUIPMENT FINANCING**

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Toll Free 1-888-607-6800

Fax 480-607-6868

Cell 602 739 1845

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**www.oefc.net**

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**From:** Patricia Olsen [mailto:[patsy@montezumawater.com](mailto:patsy@montezumawater.com)]

**Sent:** Wednesday, November 16, 2011 8:45 PM

**To:** John Torbenson

**Subject:** Re: financing

Dear Mr. Torbenson,

No, I did not receive any information. Could you please send me the information via e-mail? I would like to know what the terms are.

Thank you,

*Patricia Olsen, President*

*Montezuma Rimrock Water Co. LLC*

*P.O. Box 10, Rimrock, AZ 86335*

*928-592-9211*

*www.MontezumaWater.com*

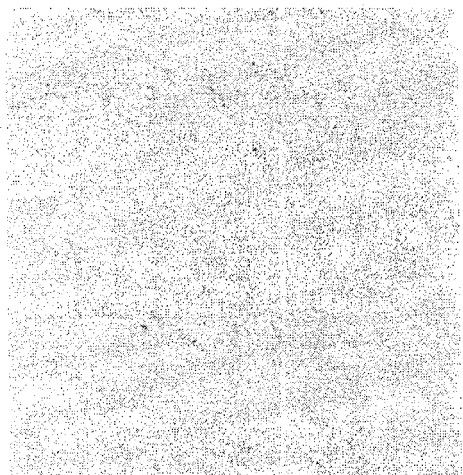
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**From:** John Torbenson <[john@oefc.net](mailto:john@oefc.net)>

**To:** [patsy@montezumawater.com](mailto:patsy@montezumawater.com)

**Sent:** Wednesday, November 16, 2011 11:53 AM

**Subject:** financing



Pat,

Did you get all the info on the 30K financing for the water machine and 7K metal building?

11/30/2011

**John Torbenson - President**

**ODYSSEY EQUIPMENT FINANCING**

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Scottsdale, AZ 85258

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Fax 480-607-6868

Cell 602 739 1845

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**Doug Fitzpatrick**

**From:** Patricia Olsen [mrwcpat@gmail.com]  
**Sent:** Tuesday, November 22, 2011 1:33 PM  
**To:** fitzlaw@sedona.net  
**Subject:** Fwd: [FWD: Fw: Lease Applicaiton]

----- Forwarded message -----

**From:** <wayneselness@gecomwatersolutions.com>  
**Date:** Fri, Nov 4, 2011 at 7:57 AM  
**Subject:** RE: [FWD: Fw: Lease Applicaiton]  
**To:** Patricia Olsen <mrwcpat@gmail.com>

Patricia,  
I talked to Eric too. He needed clarification on the equipment. Let's hope he can get it done for you. I told him that the equipment was \$40K.

Wayne Selness  
CEO, GEcom Water Solutions, Inc.  
C# - 602.509.1133  
F# - 480.649.6129

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----- Original Message -----

Subject: Re: [FWD: Fw: Lease Applicaiton]

11/22/2011



From: Patricia Olsen <mrwcpat@gmail.com>  
Date: Thu, November 03, 2011 10:07 pm  
To: wayneselness@gecomwatersolutions.com

Hi Wayne,  
Eric called me again today but I told him that I had sent the information. I sent him the information again today.

On Mon, Oct 31, 2011 at 2:53 PM, <wayneselness@gecomwatersolutions.com> wrote:

Can you get this info to Eric asap? Thanks,

Wayne Selness  
CEO, GEcom Water Solutions, Inc.  
C#- 602.509.1133  
F#- 480.649.6129

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----- Original Message -----

Subject: Fw: Lease Applicaiton  
From: "Eric Sandquist" <esandquist@pwli.com>  
Date: Tue, October 04, 2011 2:21 pm  
To: <wayneselness@gecomwatersolutions.com>

**Subject:** Fw: Lease Applicaiton

**Subject:** Lease Applicaiton

Wayne....Nice talking with you this afternoon.....Attached is our application.....Have your customer fill out...sign and return.....We will need copies of there last two years federal taxes....and three months bank statements.....Have them contact me with any questions.....

11/22/2011

Eric 'B. Sandquist  
Park Western Leasing, Inc  
1400 E. Southern Ave.  
Suite 1025  
Tempe, Az. 85282  
480-831-6002  
480-831-1267 fax  
480-831-6286 direct line  
esandquist@pwli.com (email address)